

**ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351]**

**Adopted and Filed Emergency**

Pursuant to the authority of Iowa Code section 68B.32A, the Iowa Ethics and Campaign Disclosure Board hereby amends Chapter 4, "Campaign Disclosure Procedures," Iowa Administrative Code.

The purpose of these amendments is to implement 2010 Iowa Acts, Senate File 2354, concerning permitted and prohibited campaign activities by certain organizations. 2010 Iowa Acts, Senate File 2354, section 6, requires the adoption of administrative rules and provides that such rules may be adopted on an emergency basis pursuant to Iowa Code section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b."

Pursuant to Iowa Code section 17A.4(3), the Board finds that notice and public participation prior to the adoption of these amendments are impracticable, as it is desirable to have the Board's rules reflect current statutory requirements during the 2010 election cycle.

The Board finds that adoption of these amendments confers a benefit on the public in that the amendments provide guidance on significant campaign disclosure regulations during the 2010 election cycle. Therefore, these amendments are filed pursuant to Iowa Code section 17A.5(2)"b"(2), and the normal effective date of these amendments is waived.

The Board adopted these amendments on April 29, 2010.

These amendments are also published herein under Notice of Intended Action as **ARC 8827B** to allow for public comment.

These amendments are intended to implement Iowa Code sections 68A.402A and 68A.402B and 2009 Iowa Code Supplement sections 68A.404, 68A.405, and 68A.503 as amended by 2010 Iowa Acts, Senate File 2354; and 2009 Iowa Code Supplement section 68A.405 as amended by 2010 Iowa Acts, Senate File 2195.

These amendments became effective on May 17, 2010.

The following amendments are adopted.

ITEM 1. Adopt the following new paragraph **4.1(1)"d"**:

*d. Independent expenditure committee.* A person that is required to file campaign disclosure reports pursuant to 2009 Iowa Code Supplement section 68A.404(3) "*a*" as amended by 2010 Iowa Acts, Senate File 2354, section 3, due to the filing of an independent expenditure statement (Form Ind-Exp-O) shall be referred to as an "independent expenditure committee." An independent expenditure committee, or a sole individual making an independent expenditure by filing Form Ind-Exp-I, is not required to file a statement of organization.

ITEM 2. Amend subrule 4.7(1) as follows:

**4.7(1) Disclosure reporting required.** Every committee that has filed a statement of organization under Iowa Code section 68A.201 and rule 351—4.1(68A,68B), ~~or~~ has exceeded the financial activity threshold set out in Iowa Code section 68A.102(5) or (18) prior to the cutoff date for reporting campaign transactions, ~~or~~ has made an independent expenditure shall file a campaign disclosure report pursuant to Iowa Code section 68A.402. Form Ind-Exp-O shall serve as a campaign disclosure report for an independent expenditure committee. Form Ind-Exp-I shall serve as a campaign disclosure report for a sole individual making an independent expenditure.

ITEM 3. Adopt the following new subrule 4.9(15):

**4.9(15) Independent expenditure reporting.** An independent expenditure committee that is required to file campaign disclosure reports pursuant to 2009 Iowa Code Supplement section 68A.404(3) as amended by 2010 Iowa Acts, Senate File 2354, section 3, shall file an initial report at the same time as the committee files its original independent expenditure statement. The committee shall then continue to file reports according to the same schedule as the office or election to which the independent expenditure was directed until the committee files a notice of dissolution pursuant to Iowa Code section 68A.402B(3) as amended by 2010 Iowa Acts, Senate File 2354, section 2. Form Ind-Exp-O shall serve

as a campaign disclosure report for an independent expenditure committee. Form Ind-Exp-I shall serve as a campaign disclosure report for a sole individual making an independent expenditure.

ITEM 4. Adopt the following **new** subrule 4.13(6):

**4.13(6) Independent expenditure disclosures.** An independent expenditure committee that is required to file campaign reports pursuant to 2009 Iowa Code Supplement section 68A.404(3) as amended by 2010 Iowa Acts, Senate File 2354, section 3, shall disclose campaign transaction information as required by Iowa Code section 68A.402A. However, the committee is required to disclose only those monetary receipts as provided in 2009 Iowa Code Supplement section 68A.404(3) “a”(2) as amended by 2010 Iowa Acts, Senate File 2354, section 3. Form Ind-Exp-O shall serve as a campaign disclosure report for an independent expenditure committee. Form Ind-Exp-I shall serve as a campaign disclosure report for a sole individual making an independent expenditure.

ITEM 5. Amend subrule 4.17(2) as follows:

**4.17(2) Date of contribution—date received.** The schedule shall include the complete date (month/day/year) on which the in-kind contribution was physically received by a person on behalf of provided to the committee. The actual or fair market value of the in-kind contribution shall be reported regardless of whether or not the person providing the in-kind contribution has been billed for the costs.

ITEM 6. Amend subrule 4.21(2) as follows:

**4.21(2)** A committee that participates in an election at the county, city, school, or other political subdivision level, or an independent expenditure committee, and that is required by Iowa Code Supplement section 68A.402 to file a disclosure report on or before January 19 of each year is not required to attach or submit a copy of the committee’s bank statement unless requested to do so by the board. If such a committee is requested to file the bank statement, the committee shall comply with the requirements of rule 351—4.21(68A) provide the board with a copy of the bank statement within ten days of the request. A sole individual making an independent expenditure and filing Form Ind-Exp-I is not required to submit a bank statement under rule 351—4.21(68A) unless requested to do so by the board.

ITEM 7. Amend rule 351—4.27(68A) as follows:

**351—4.27(68A) Filing of independent expenditure statement.** Pursuant to 2009 Iowa Code Supplement section 68A.404 as amended by 2009 Iowa Acts, Senate File 49, section 5 2010 Iowa Acts, Senate File 2354, section 3, any person except a candidate, a ~~registered~~ committee filing a statement of organization, a federal committee, or an out-of-state committee that makes one or more independent expenditures in excess of ~~\$400~~ \$750 in the aggregate shall file ~~an independent expenditure statement~~ Form Ind-Exp-O. A sole individual making one or more independent expenditures in excess of \$750 in the aggregate shall file Form Ind-Exp-I. A committee that has registered by filing a statement of organization shall disclose an independent expenditure on the appropriate campaign disclosure report.

**4.27(1) Independent expenditure defined.** “Independent expenditure” means an expenditure ~~for a communication that expressly advocates the nomination, election, or defeat of a candidate or that expressly advocates the passage or defeat of a ballot issue when the expenditure is made without the prior approval of or coordination with a candidate, candidate’s committee, or a ballot issue committee.~~ “Independent expenditure” also means “independent expenditure” as defined in subrule 4.53(3) as defined in 2009 Iowa Code Supplement section 68A.404(1) as amended by 2010 Iowa Acts, Senate File 2354, section 3.

**4.27(2) Independent expenditure statement reporting.** When applicable under 2009 Iowa Code Supplement section 68A.404 as amended by 2010 Iowa Acts, Senate File 2354, section 3, and rule 351—4.27(68A), Form Ind-Exp-O shall be filed by a person and Form Ind-Exp-I shall be filed by a sole individual. Both forms shall be in a format that will enable a person or sole individual making an independent expenditure to comply with all of the reporting requirements in 2009 Iowa Code Supplement section 68A.404 as amended by 2010 Iowa Acts, Senate File 2354, section 3. The following information shall be disclosed on the independent expenditure statement:

- ~~a. The name, mailing address, and telephone number of the person that files the statement, including the name, mailing address, and telephone number of a contact person, if applicable.~~
- ~~b. A description of the position that is advocated by the person that files the statement such as whether the communication was for a particular candidate or was against a particular candidate.~~
- ~~c. The name and address of the committee that benefits from the expenditure.~~
- ~~d. The dates on which the expenditure or expenditures took place.~~
- ~~e. A description of the nature of the action taken that resulted in the expenditure or expenditures such as a newspaper advertisement, direct mailing, or brochure.~~
- ~~f. The actual cost or fair market value of the expenditure or expenditures.~~

~~4.27(3) *Place of filing.* An independent expenditure statement Form Ind-Exp-O and Form Ind-Exp-I shall be filed with the board at 510 East 12th Street, Suite 1A, Des Moines, Iowa 50319, or by fax at (515)281-4073. The board shall immediately make the independent expenditure statement available for public viewing via the board's Web site at [www.iowa.gov/ethics](http://www.iowa.gov/ethics) electronically via the board's Web site at [www.iowa.gov/ethics](http://www.iowa.gov/ethics).~~

~~4.27(4) *Time of filing.* An independent expenditure statement Form Ind-Exp-O or Form Ind-Exp-I shall be filed within 48 hours of the person's or sole individual's making of an independent expenditure exceeding \$100 or independent expenditures exceeding \$100 in the aggregate \$750 in the aggregate or within 48 hours of disseminating the communication to its intended audience, whichever is earlier. An independent expenditure is deemed made at the time that the cost is incurred regardless of whether or not the costs for the independent expenditure have been billed.~~

~~4.27(5) *Failure to file.* A person that fails to timely file an independent expenditure statement The failure to timely file either Form Ind-Exp-O or Form Ind-Exp-I shall be subject to the imposition of civil penalties pursuant to 351—subrule 4.59(7).~~

~~4.27(6) *Attribution statement applicable.* Any person that makes an independent expenditure in any amount shall comply with the appropriate "paid for by" attribution statement pursuant to 2009 Iowa Code Supplement section 68A.405 as amended by 2010 Iowa Acts, Senate File 2354, section 4, and by 2010 Iowa Acts, Senate File 2195, section 7, and rule 351—4.38(68A,68B).~~

~~4.27(7) *Other filings not required.* A person that properly files an independent expenditure statement shall not be required to file a statement of organization registering a committee or file public disclosure reports.~~

~~4.27(8) *Campaign committees.* A committee that makes an independent expenditure shall disclose the transaction on the committee's appropriate disclosure report and shall not file an independent expenditure statement.~~

~~This rule is intended to implement 2009 Iowa Code Supplement section 68A.404 as amended by 2008 Iowa Acts, House File 2700, sections 116 and 117 2010 Iowa Acts, Senate File 2354, section 3.~~

ITEM 8. Amend rule 351—4.28(68A) as follows:

**351—4.28(68A) Prohibition on contributions and independent expenditures by foreign nationals.** As provided in Federal Election Commission regulation 11 CFR 110.20, a foreign national shall not, directly or indirectly, make a monetary or in-kind contribution or expenditure of money or other thing of value, or specifically promise to make a contribution, in connection with a state or local campaign or election in Iowa. A foreign national shall not, directly or indirectly, make a contribution to a candidate or to a campaign committee organized under Iowa Code Supplement chapter 68A. Pursuant to 2009 Iowa Code Supplement section 68A.404(2) "c" as amended by 2010 Iowa Acts, Senate File 2354, section 3, ~~Foreign~~ foreign nationals are also prohibited from making independent expenditures in relation to any state or local campaign or election in Iowa.

**4.28(1) *Foreign national defined.*** "Foreign national" means a person who is not a citizen of the United States and who is not lawfully admitted for permanent residence. "Foreign national" also includes a "foreign principal," such as a government of a foreign country or a foreign political party, partnership, association, corporation, organization, or other combination of persons that has its primary place of business in or is organized under the laws of a foreign country. "Foreign national" shall not include any person who is a citizen of the United States or who is a national of the United States as defined in

2009 Iowa Code Supplement section 68A.404(2) “c” as amended by 2010 Iowa Acts, Senate File 2354, section 3.

**4.28(2)** *Acceptance of campaign contributions and ~~independent expenditures~~ donations from foreign nationals.* No person shall knowingly accept or receive ~~any a campaign~~ contribution from a foreign national ~~with regard to such person’s election-related activities.~~ No person shall knowingly accept a monetary donation from a foreign national for purposes of making an independent expenditure.

**4.28(3)** *Participation by foreign nationals in decisions involving election-related activity.* A foreign national shall not, directly or indirectly, participate in the decision-making process of any person, ~~including a corporation, labor organization, political committee, or political organization,~~ with regard to such person’s election-related activities. Decisions including election-related activities include decisions involving the making of contributions, donations, or expenditures in connection with elections for state or local office, ballot issues, or decisions involving the administration of a ~~political~~ committee.

This rule is intended to implement ~~2009 Iowa Code Supplement chapter 68A section 68A.404(2) “c”~~ as amended by 2010 Iowa Acts, Senate File 2354, section 3.

ITEM 9. Amend rule 351—4.38(68A), introductory paragraph, as follows:

**351—4.38(68A) Political attribution statement—contents.** Published material that expressly advocates the election or defeat of a candidate or that ~~expressly advocates the passage or defeat of a ballot issue~~ for or against a clearly identified candidate or ballot issue shall contain a statement identifying the person paying for the published material. This statement is referred to as the “attribution statement.” The term “published material” means any newspaper, magazine, shopper, outdoor advertising facility, poster, direct mailing, brochure, Internet Web site, television, video, or motion picture advertising, campaign sign larger than 32 square feet, or any other form of printed ~~general public~~ political advertising.

ITEM 10. Amend subrule 4.38(1) as follows:

**4.38(1) Registered committee.** If the person paying for the published material is a committee that has filed a statement of organization, the words “paid for by” and the name of the committee shall appear on the material. An “independent expenditure committee” is not a “registered committee.”

ITEM 11. Adopt the following **new** subrule 4.38(6):

**4.38(6) Corporations.** If the person paying for the published material is a corporation, the words “paid for by”, the name and address of the corporation, and the name and title of the corporation’s chief executive officer shall appear on the material.

ITEM 12. Adopt the following **new** subrule 4.38(7):

**4.38(7) Independent expenditures.** A person, including a sole individual, making an independent expenditure shall provide the attribution statement according to the appropriate category under this rule. The attribution statement shall also include a statement that the published material was not authorized by any candidate, candidate’s committee, or ballot issue committee.

ITEM 13. Amend rule **351—4.38(68A)**, implementation sentence, as follows:

This rule is intended to implement 2009 Iowa Code Supplement section 68A.405 as amended by 2004 Iowa Acts, House File 2319, section 4 2010 Iowa Acts, Senate File 2354, section 4, and by 2010 Iowa Acts, Senate File 2195, section 7.

ITEM 14. Amend rule 351—4.39(68A) as follows:

**351—4.39(68A) Specific items exempted from or subject to attribution statement requirement; multiple pages.** 2009 Iowa Code Supplement section 68A.405 as amended by 2010 Iowa Acts, Senate File 2354, section 4, and by 2010 Iowa Acts, Senate File 2195, section 7, and rule 351—4.38(68A) requires require the placement of a “paid for by” attribution statement on political advertising and political published material that expressly advocates for or against a clearly identified candidate or ballot issue, with certain exceptions.

**4.39(1) Items exempted from requirement.** The requirement to place a “paid for by” attribution statement does not apply to the following:

a. Editorials or news articles of a ~~newspaper or magazine~~ media organization that are not political advertisements.

b. Small items upon which the inclusion of the attribution statement would be impracticable, such as ~~yard~~ campaign signs 32 square feet or smaller that have been placed or posted on real property, bumper stickers, pins, buttons, pens, pencils, emery boards, matchbooks and, except as set out in subrule 4.39(2), items that are smaller than 2 inches by 4 inches. For purposes of this rule, 32 square feet is the total dimension of the campaign sign regardless of whether or not both sides of the sign are used for campaign advertising.

c. T-shirts, caps, and other articles of clothing that expressly advocate for or against a candidate or ballot issue.

d. ~~Means of communication such as television and radio that are subject to federal regulations regarding an attribution requirement~~ Radio advertisements, live telephone calls, or auto-generated telephone messages.

e. ~~Political advertising or political~~ Published material placed by an individual who acts independently and spends \$100 or less of the individual’s own ~~money~~ resources to expressly advocate the passage or defeat of a ballot issue.

For purposes of this subrule, “yard sign” means a political sign with a total dimension of 32 square feet or less, regardless of whether both sides of the sign are used, that has been placed or posted on real property.

**4.39(2) Items subject to requirement.** The requirement to place a “paid for by” attribution statement applies to the following:

a. ~~Advertising~~ Published material such as ~~yard campaign signs larger than 32 square feet that have been placed or posted on real property~~, billboards, posters, portable sign carriers, and signs affixed or painted to the side or top of a building or vehicle. A campaign sign placed on a building or vehicle shall contain the appropriate attribution statement regardless of the size of the sign.

b. ~~Advertisements~~ Published material in a newspaper, magazine, shopper, or other periodical regardless of the size of the ~~advertisement~~ material.

c. Direct mailings, flyers, brochures, postcards, or any other form of ~~printed general public advertising~~ published material that is larger than 2 inches by 4 inches and not otherwise set out in 351—4.39(68A).

d. Campaign Web sites. A blog that is not owned or controlled by a candidate or committee is not required to include an attribution statement disclosing who paid for the costs of the blog. A political advertisement on a blog is required to include the appropriate attribution statement disclosing who paid for the advertisement.

e. Television, video, and motion picture advertising. The attribution statement shall be displayed on the advertisement in a clearly readable manner for at least four seconds.

**4.39(3) Multiple pages.** If the ~~political advertising or political~~ published material consists of more than one page, the “paid for by” attribution statement need only appear on one page of the ~~advertising or~~ material. For a campaign Web site, the attribution statement need only appear on the home page of the site. A scratch pad need only include the attribution statement on the pad and not on each individual page of the pad.

This rule is intended to implement 2009 Iowa Code Supplement section 68A.405 as amended by 2010 Iowa Acts, Senate File 2354, section 4, and by 2010 Iowa Acts, Senate File 2195, section 7.

ITEM 15. Amend rule 351—4.44(68A,68B) as follows:

**351—4.44(68A,68B) Use of corporate property prohibited Prohibited corporate activity.** ~~It is unlawful for a candidate’s committee or other political committee to use any property of a corporate entity, and it is unlawful for a corporate entity to knowingly permit the use of its property by a candidate’s committee or other political committee. “Corporate entity” as used in these rules means any profit or nonprofit corporation, and includes, but is not limited to, farm corporations, professional~~

~~corporations (P.C.s), banks, savings and loan institutions, credit unions and insurance companies. For the purpose of these rules, the prohibited use of the property of a corporate entity shall include, but not be limited to, the following: As provided in 2009 Iowa Code Supplement section 68A.503 as amended by 2010 Iowa Acts, Senate File 2354, section 5, a financial institution, insurance company, or corporation is prohibited from using its resources to make monetary or in-kind campaign contributions to a candidate, candidate's committee, political committee that expressly advocates for or against a candidate, or a political party committee. For purposes of this chapter, "corporate entity" shall include financial institutions, insurance companies, and corporations.~~

4.44(1) The prohibition on corporate political activity does not apply to any of the following:

a. An LLC, LLP, or any other organization that does not file articles of incorporation.

b. Monetary or in-kind campaign contributions to a ballot issue committee.

c. Independent expenditure communications.

d. A campaign committee using a corporate entity computer to generate and file a campaign disclosure statement or report.

4.44(2) For purposes of this rule, prohibited corporate activity shall include, but not be limited to, the following:

4.44(1) a. The physical placement of campaign materials on corporate property except as permitted under Iowa Code sections 68A.406 and 68A.503.

4.44(2) b. The use of motor vehicles, telephone equipment, long-distance lines, computers, typewriters, office space, duplicating equipment and supplies, stationery, envelopes, labels, postage, postage meters or communication systems of corporate entities.

4.44(3) c. The use of corporate entity facilities, premises, recreational facilities and housing that are not ordinarily available to the general public.

4.44(4) d. The furnishing of beverages and other refreshments that cost in excess of \$50 and that are not ordinarily available to the general public.

4.44(5) e. The contributing of money of the corporate entity.

4.44(6) f. Any other transaction conducted between a ~~corporation~~ corporate entity and a candidate, candidate's committee, ~~or~~ political committee that expressly advocates for or against candidates, or a political party committee. Such transaction is presumed to be a corporate contribution unless the candidate's committee or political committee establishes to the contrary it is sufficiently demonstrated to the board that the transaction should not be considered a prohibited contribution under 2009 Iowa Code Supplement section 68A.503 as amended by 2010 Iowa Acts, Senate File 2354, section 5.

This rule is intended to implement 2009 Iowa Code Supplement section 68A.503 as amended by 2010 Iowa Acts, Senate File 2354, section 5.

ITEM 16. Rescind and reserve rule **351—4.46(68A)**.

ITEM 17. Amend rule 351—4.48(68A) as follows:

**351—4.48(68A) Sham newspapers not entitled to press exception subject to campaign laws.** Iowa Code chapter 68A provides that when a media organization discusses candidates and public affairs, the media organization does not trigger the campaign laws. 2009 Iowa Code Supplement section 68A.503(2) "d" 68A.503(5) "b" as amended by 2010 Iowa Acts, Senate File 2354, section 5, directs the board to adopt a rule ~~prohibiting~~ requiring the owner, publisher, or editor of a sham newspaper ~~from who is~~ using the sham newspaper to promote in any way the candidacy of the any person for public office to comply with the requirements of Iowa Code chapter 68A.

4.48(1) Factors. In determining whether or not a publication is entitled to the press exception or is a sham newspaper that triggers the campaign laws, the board will consider the following factors:

1. a. Whether the publication is published and made available on a regular schedule or interval;

2. b. The proximity to the election in which the candidates and public affairs are discussed;

3. c. Whether the publication contains news items and articles of opinion of a general character separate from discussions concerning candidates and public affairs;

4. d. How widely the publication is circulated or is otherwise made available to the public in comparison to a targeted audience for potential campaign purposes;

5. e. Whether the publication discusses all candidates for a particular election or otherwise gives all candidates equal space; and

6. f. Whether the publication expressly advocates for the candidacy of ~~the owner, publisher, or editor of the publication or for the defeat of a campaign opponent of the owner, publisher, or editor of the publication~~ any person.

**4.48(2) Definitions.** For purposes of this rule, the following definitions apply:

“Express advocacy” means “express advocacy” as defined in Iowa Code section 68A.102(14) and rule 351—4.53(68A).

“Media organization” means “media organization” as defined in rule 351—4.51(68A).

“Sham newspaper” means “sham newspaper” as defined in 2009 Iowa Code Supplement section 68A.503(5) “b” as amended by 2010 Iowa Acts, Senate File 2354, section 5.

This rule is intended to implement 2009 Iowa Code Supplement section 68A.503(2) “d.” 68A.503(5) “b” as amended by 2010 Iowa Acts, Senate File 2354, section 5.

ITEM 18. Rescind and reserve rule **351—4.50(68A)**.

ITEM 19. Amend subrule 4.53(3) as follows:

**4.53(3) Independent expenditure.** “Independent expenditure” means an expenditure by a person for goods or services, including express advocacy communication, on behalf of a candidate or a ballot issue which is not made with the knowledge and approval of a candidate or a ballot issue committee. “Independent expenditure” does not include incidental expenses (expenses of \$25 or less per incident absorbed by the volunteer which result from or arise out of the volunteer work) incurred by an individual in performing volunteer work “independent expenditure” as defined in 2009 Iowa Code Supplement section 68A.404(1) as amended by 2010 Iowa Acts, Senate File 2354, section 3.

ITEM 20. Amend subrule 4.53(4) as follows:

**4.53(4) Coordinated expenditure.**

a. “Made “Coordinated expenditure” means an expenditure made with the knowledge and approval of a candidate or ballot issue committee”, candidate’s committee, political party committee, or political committee. “Coordinated expenditure” also means that there has been arrangement, coordination, or direction by the candidate, candidate’s committee, political party committee, or political committee, or an agent or officer of the candidate’s committee or a ballot issue committee prior to the procurement or purchase of the good or service, or the publication, distribution, display, or broadcast of an express advocacy communication. This may also be referred to as a “coordinated expenditure.”

b. An expenditure will be presumed to be coordinated when it is:

a. (1) Based on information provided to the expending person by the candidate, the candidate’s committee, or the ballot issue committee with a view toward having an expenditure made; or

b. (2) Made by or through any person who is or has been authorized to raise or expend funds; who is or has been an officer of the candidate’s committee or the ballot issue committee; or who is or has been receiving any form of compensation or reimbursement from the candidate, the candidate’s committee, or the ballot issue committee.

c. Pursuant to 2009 Iowa Code Supplement section 68A.404(7) as amended by 2010 Iowa Acts, Senate File 2354, section 3, a person making an independent expenditure shall not engage or retain an advertising firm or consultant that has also been engaged or retained within the prior six months by the candidate, candidate’s committee, or ballot issue PAC that is benefited by the independent expenditure. “Engage or retain” shall not include the purchase of goods or products from an advertising firm or consultant when the advertising firm or consultant does not provide guidance, assistance, or advice to the person making the purchase concerning the good or product.

ITEM 21. Amend rule **351—4.53(68A,68B)**, implementation sentence, as follows:

This rule is intended to implement 2009 Iowa Code Supplement section 68A.404 as amended by 2010 Iowa Acts, Senate File 2354, section 3.

ITEM 22. Amend subrule 4.55(5) as follows:

**4.55(5) *Final bank statement.*** A copy of the committee's final bank statement showing the committee's closing transactions and a zero balance shall be attached to or submitted with the committee's final report. A committee participating in an election at the county, city, school, or other political subdivision level, an independent expenditure committee, or a sole individual making an independent expenditure is not required to file a final bank statement unless requested to do so by the board. A committee seeking a waiver from the requirements of this subrule may do so in accordance with 351—Chapter 15.

ITEM 23. Amend rule **351—4.55(68A)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code section 68A.402B as amended by 2010 Iowa Acts, Senate File 2354, section 2.

ITEM 24. Amend subrule 4.59(1) as follows:

**4.59(1) *Administrative resolution.*** In administrative resolution of violations for late-filed disclosure reports, the board shall assess and collect monetary penalties for all late-filed disclosure reports. The board shall notify any person assessed a penalty of the amount of the assessment and the person's ability to request a waiver under rule 351—4.60(68B). A ~~committee person~~ person using the board's electronic filing system shall not be assessed a civil penalty if the board's electronic filing system is not properly functioning and causes the ~~committee person~~ person to be unable to timely file the report.

ITEM 25. Amend subrule 4.59(7) as follows:

**4.59(7) *Independent expenditure assessment.*** ~~A person that~~ An individual who is delinquent in timely filing an independent expenditure statement Form Ind-Exp-I shall be assessed a \$25 civil penalty. ~~for filing the statement one or more days delinquent, except that if~~ If there is a repeat delinquency by the ~~person~~ individual in timely filing an independent expenditure statement Form Ind-Exp-I within a 12-month period, the penalty shall be \$50. A person that is designated by the board as an independent expenditure committee that fails to timely file Form Ind-Exp-O shall be assessed a \$50 civil penalty. If there is a repeat delinquency by the person in timely filing Form Ind-Exp-O within a 12-month period, the penalty shall be \$100.

ITEM 26. Adopt the following **new** subrule 4.59(9):

**4.59(9) *Additional sanctions.*** The issuance of a civil penalty under this rule does not prohibit the board from imposing sanctions pursuant to the process set out in Iowa Code chapter 68B and rule 351—9.4(68B) if the board determines that there was evidence of an intentional failure to timely file the report.

ITEM 27. Amend rule **351—4.59(68B)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code ~~Supplement~~ section 68B.32A(8).

[Filed Emergency 5/14/10, effective 5/17/10]

[Published 6/2/10]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 6/2/10.